

Minutes for August 3, 1964

To: Members of the Board

From: Office of the Secretary

Attached is a copy of the minutes of the Board of Governors of the Federal Reserve System on the above date.

It is not proposed to include a statement with respect to any of the entries in this set of minutes in the record of policy actions required to be maintained pursuant to section 10 of the Federal Reserve Act.

Should you have any question with regard to the minutes, it will be appreciated if you will advise the Secretary's Office. Otherwise, please initial below. If you were present at the meeting, your initials will indicate approval of the minutes. If you were not present, your initials will indicate only that you have seen the minutes.

Chm. Martin

mm

Gov. Mills

[Signature]

Gov. Robertson

CRB

Gov. Balderston

[Signature]

Gov. Shepardson

[Signature]

Gov. Mitchell

[Signature]

Gov. Daane

Minutes of the Board of Governors of the Federal Reserve System on Monday, August 3, 1964. The Board met in the Board Room at 10:00 a.m.

PRESENT: Mr. Martin, Chairman  
 Mr. Balderston, Vice Chairman  
 Mr. Mills  
 Mr. Shepardson  
 Mr. Mitchell

Mr. Kenyon, Assistant Secretary  
 Mr. Molony, Assistant to the Board  
 Mr. Hackley, General Counsel  
 Mr. Solomon, Director, Division of Examinations  
 Mr. Shay, Assistant General Counsel  
 Mr. Leavitt, Assistant Director, Division of Examinations  
 Mr. Spencer, General Assistant, Office of the Secretary  
 Mr. Forrestal, Attorney, Legal Division  
 Mr. McClintock, Supervisory Review Examiner, Division of Examinations  
 Mr. Poundstone, Review Examiner, Division of Examinations

Discount rates. The establishment without change by the Federal Reserve Bank of Atlanta on July 31, 1964, of the rates on discounts and advances in its existing schedule was approved unanimously, with the understanding that appropriate advice would be sent to that Bank.

Circulated or distributed items. The following items, copies of which are attached to these minutes under the respective item numbers indicated, were approved unanimously:

Letter to The Dover Trust Company, Dover, New Jersey, approving the establishment of a branch at Sammis Avenue and U. S. Route 46.

Item No.

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8/3/64

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Item No.

Letter to Counsel for Wells Fargo Bank International Corporation, San Francisco, California, approving the agreement corporation's request for permission to convert into a corporation organized under section 25(a) of the Federal Reserve Act, to be known as Wells Fargo Bank International Corporation, and transmitting a preliminary permit.

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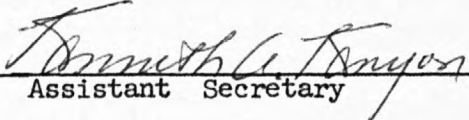
With respect to Item No. 2, it was noted that the letter contained a statement that section 25(a) of the Federal Reserve Act and any rules and regulations of the Board issued pursuant thereto would govern in the event of conflict with provisions of the California Financial Code and any administrative action in connection therewith.

The meeting then adjourned.

Secretary's Note: Governor Shepardson today approved on behalf of the Board the following items:

Letter to the Federal Reserve Bank of Dallas (attached Item No. 3) authorizing the Bank to continue in effect the designation of Ted E. Garner as assistant examiner.

Memorandum from the Division of International Finance recommending acceptance of the resignation of Henry N. Goldstein, Economist in that Division, effective at the close of business August 14, 1964.

  
Assistant Secretary

BOARD OF GOVERNORS  
OF THE  
FEDERAL RESERVE SYSTEM  
WASHINGTON, D. C. 20551

Item No. 1  
8/3/64



ADDRESS OFFICIAL CORRESPONDENCE  
TO THE BOARD

August 3, 1964

Board of Directors,  
The Dover Trust Company,  
Dover, New Jersey.

Gentlemen:

The Board of Governors of the Federal Reserve System approves the establishment by The Dover Trust Company, Dover, New Jersey, of a branch at the southwest corner of Sammis Avenue and U. S. Route #16, Dover, New Jersey, provided the branch is established within one year from the date of this letter.

Very truly yours,

(Signed) Elizabeth L. Carmichael

Elizabeth L. Carmichael,  
Assistant Secretary.

(The letter to the Reserve Bank stated that the Board also had approved a six-month extension of the period allowed to establish the branch; and that if an extension should be requested, the procedure prescribed in the Board's letter of November 9, 1962 (S-1846), should be followed.)

BOARD OF GOVERNORS  
OF THE  
FEDERAL RESERVE SYSTEM

WASHINGTON, D. C. 20551

Item No. 2  
8/3/64

ADDRESS OFFICIAL CORRESPONDENCE  
TO THE BOARD

August 3, 1964.



Messrs. Brobeck, Phleger & Harrison,  
One Eleven Sutter Street,  
San Francisco 4, California.

Gentlemen: -

The Board of Governors has approved the Articles of Association and Organization Certificate, dated April 24, 1964, for the conversion of Wells Fargo Bank International Corporation into a new corporation to be known as Wells Fargo Bank International Corporation, and there is enclosed herewith a preliminary permit authorizing the latter Corporation to exercise such of the powers conferred by Section 25(a) of the Federal Reserve Act as are incidental to and preliminary to its organization.

It is noted that, because of Section 3562 of the California Financial Code, Wells Fargo Bank International Corporation has entered into an agreement with the State Superintendent of Banks, and presumably it is intended that the new corporation will operate subject to the terms of the agreement. Note has also been made of Section 3561 of the California Financial Code. In view of the paramount authority in Section 25(a) of the Federal Reserve Act over the new corporation, the Board's aforementioned action is subject to the condition that Section 25(a) and any rules and regulations of the Board issued pursuant thereto will govern in the event of conflict with the provisions of the California Financial Code and any administrative action in connection therewith.

Except as provided in Section 211.3(a) of Regulation K, the Corporation may not exercise any of the other powers conferred by Section 25(a) until it has received a final permit from the Board authorizing it generally to commence business. Before the Board will issue its final permit to commence business, the president, cashier, or secretary, together with at least three of the directors,

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Messrs. Brobeck, Phleger & Harrison

must certify (1) that each director is a citizen of the United States; (2) that a majority of the shares of capital stock is held and owned by citizens of the United States, by corporations the controlling interest in which is owned by citizens of the United States, chartered under the laws of the United States or of a State of the United States, or by firms or companies the controlling interest in which is owned by citizens of the United States; and (3) that of the authorized capital stock specified in the Articles of Association at least 25 per cent has been paid in in cash and that each shareholder has individually paid in in cash at least 25 per cent of his stock subscription. Thereafter the cashier or secretary shall certify to the payment of the remaining instalments as and when each is paid in, in accordance with law.

Very truly yours,

(Signed) Elizabeth L. Carmichael

Elizabeth L. Carmichael,  
Assistant Secretary.

Enclosure.

BOARD OF GOVERNORS  
OF THE  
FEDERAL RESERVE SYSTEM  
WASHINGTON

August 3, 1964.

Preliminary Permit

IT IS HEREBY CERTIFIED that the Board of Governors of the Federal Reserve System, pursuant to authority vested in it by Section 25(a) of the Federal Reserve Act, as amended, has this day approved the Articles of Association and Organization Certificate, dated April 24, 1964, filed with the said Board of Governors on behalf of Wells Fargo Bank International Corporation, a banking institution principally engaged in foreign business and organized under the laws of the State of California, the said Articles of Association and Organization Certificate having been filed for the purpose of converting said Wells Fargo Bank International Corporation into a corporation organized under Section 25(a) of the Federal Reserve Act, as amended, under the name and title of WELLS FARGO BANK INTERNATIONAL CORPORATION; and that WELLS FARGO BANK INTERNATIONAL CORPORATION is authorized to exercise such of the powers conferred upon it by said Section 25(a) as are incidental and preliminary to its organization pending the issuance by the Board of Governors of the Federal Reserve System of a final permit for the conversion of said Wells Fargo Bank International Corporation into said WELLS FARGO BANK INTERNATIONAL CORPORATION and for the latter generally to commence business in accordance with the provisions of

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said Section 25(a) and the rules and regulations of the Board of Governors of the Federal Reserve System issued pursuant thereto.

BOARD OF GOVERNORS OF THE  
FEDERAL RESERVE SYSTEM

By (Signed) Elizabeth L. Carmichael

Elizabeth L. Carmichael,  
Assistant Secretary.

(SEAL)



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BOARD OF GOVERNORS  
OF THE  
FEDERAL RESERVE SYSTEM  
WASHINGTON, D. C. 20551

Item No. 3  
8/3/64



ADDRESS OFFICIAL CORRESPONDENCE  
TO THE BOARD

August 3, 1964

Mr. Thomas R. Sullivan, Vice President,  
Federal Reserve Bank of Dallas,  
Dallas, Texas 75222.

Dear Mr. Sullivan:

This will acknowledge your letter of July 27, 1964, advising the Board of a probable criminal violation of Title 18, U.S.C.A., Section 213, and of your decision not to report such violation to the United States Attorney and the Federal Bureau of Investigation. The probable criminal violation resulted from Assistant Examiner Ted Garner borrowing money from Trinity National Bank, Dallas, Texas.

The authorization heretofore given your Bank to designate Mr. Garner as an Assistant Examiner remains in effect.

Very truly yours,

(Signed) Elizabeth L. Carmichael

Elizabeth L. Carmichael,  
Assistant Secretary.